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西部水泥

WEST CHINA CEMENT LIMITED

中國西部水泥有限公司

(Incorporated in Jersey with limited liability, with registered number 94796)

(Stock Code: 2233)

ANNOUNCEMENT

**PROPOSED ISSUE OF SECOND TRANCHE OF
MEDIUM-TERM NOTES IN THE PRC
BY YAObAI SPECIAL CEMENT GROUP CO., LTD.,
AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE COMPANY**

PROPOSED ISSUE OF SECOND TRANCHE OF THE MEDIUM-TERM NOTES BY YAObAI

Reference is made to the announcements (the “**Announcements**”) of West China Cement Limited (the “**Company**”) dated 30 April 2019 and 8 May 2019 in relation to the proposed issuance and completion of the first tranche of the Medium-term Notes by Yaobai, an indirect wholly-owned subsidiary of the Company incorporated in the PRC. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board is pleased to announce that, Yaobai proposes to issue the second tranche of the Medium-term Notes with a principal amount of RMB700,000,000 to investors in the national inter-bank market in the PRC on or about 31 August 2020.

In connection with the proposed issue of the second tranche of the Medium-term Notes, Yaobai has published, among other things, an offering circular in the PRC to provide investors with certain information concerning the terms and conditions of the Medium-term Notes and certain financial information of Yaobai and its subsidiaries for the three years ended 31 December 2017, 2018 and 2019, and the three months ended 31 March 2020 on the websites of China Money (www.chinamoney.com.cn), Beijing Financial Assets Exchange (www.cfae.cn) and Shanghai Clearing House (www.shclearing.com) on 31 August 2020.

Shareholders and prospective investors are cautioned not to unduly rely on such information and are reminded to exercise caution when dealing in the Shares.

As the proposed issue of the second tranche of the Medium-term Notes may or may not materialize, Shareholders and investors are reminded to exercise caution when dealing in the securities of the Company.

The Board is pleased to announce that, Yaobai proposes to issue second tranche of the Medium-term Notes with a principal amount of RMB700,000,000 to investors in the national inter-bank market in the PRC on or about 31 August 2020.

The second tranche of the Medium-term Notes has a term of three years and form part of the Medium-term Notes of Yaobai. Depending on market conditions, after the issuance of the second tranche of the Medium-term Notes, Yaobai may within the validity of the registration with the National Association of Financial Market Institutional Investors of the PRC (中國銀行間市場交易商協會), determine whether or not to issue, and the terms of, further notes.

Particulars of the Medium-term Notes are as follows:

Issuer:	Yaobai
Aggregate maximum amount of the Medium-term Notes:	RMB1,500,000,000
Principal amount of the second tranche of the Medium-term Notes:	RMB700,000,000
Date of issue of the second tranche of the Medium-term Notes:	On or about 31 August 2020
Maturity:	Term of three years
Interest rate:	To be determined based on the results of book building process under the prevailing market conditions. Interest will be payable annually
Target:	Investors in the national inter-bank market in the PRC and will not be extended to the general public
Underwriter/Bookrunner:	Agricultural Bank of China Limited
Credit rating:	As assessed by China Lianhe Credit Rating Co., Ltd. (聯合資信評估有限公司), the Medium-term Notes have been given AA+ rating and Yaobai, the issuer of the Medium-term Notes has also been given AA+ rating
Use of proceeds:	The proceeds from the issue of the Medium-term Notes will be fully used for the general working capital of the Group

The Board is of the view that the issue of the second tranche of the Medium-term Notes will replenish the Company's general working capital and thus provide it with more financial flexibility, the Directors (including the independent non-executive Directors) consider that the issue of the second tranche of the Medium-term Notes is in the interest of the Company and its Shareholders as a whole.

Shareholders and prospective investors are cautioned not to unduly rely on such information and are reminded to exercise caution when dealing in the Shares.

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GENERAL

The Group is principally engaged in the production and sale of cement in the PRC.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below, and words in plural shall include the singular and vice versa, as applicable:

“Board”	the board of Directors;
“Company”	West China Cement Limited (中國西部水泥有限公司), a company incorporated in Jersey with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Medium-term Notes”	three years medium-term notes of RMB1,500,000,000 in aggregate principal amount proposed to be issued by Yaobai;
“PRC”	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	shareholder(s) of the Company;

“Stock Exchange”

The Stock Exchange of Hong Kong; and

“Yaobai”

堯柏特種水泥集團有限公司 (Yaobai Special Cement Group Co., Ltd.*), a company incorporated under the laws of the PRC and an indirectly wholly owned subsidiary of the Company.

By the order of the Board
West China Cement Limited
Zhang Jimin
Chairman

Hong Kong, 31 August 2020

As at the date of this announcement, the executive Directors are Mr. Zhang Jimin and Dr. Ma Weiping, the non-executive Directors are Mr. Ma Zhaoyang, Ms. Liu Yan and Mr. Fan Changhong and the independent non-executive Directors are Mr. Lee Kong Wai, Conway, Mr. Zhu Dong and Mr. Tam King Ching, Kenny.

* *for identification purpose only*